

Unnecessary: punitive tariffs against low-cost solar modules

Düsseldorf, 28 September XX, 2023 - Europe's solar technology manufacturers are sounding the alarm: China is flooding the market with its dumping modules, they say, and thus endangering the local industry. Calls for government support and punitive tariffs are already being heard. "Politicians should act extremely cautiously here," warns Markus W. Voigt, CEO of the aream Group. "Because firstly, it is questionable whether there is any price dumping at all, and moreover, the cheap modules are a blessing for renewables in Europe."

According to the industry association SolarPower Europe, prices for solar modules have plummeted by more than a quarter since the beginning of the year. The cause is the aggressive strategy of Chinese manufacturers, who sell their products below their production costs and thus engage in dumping. European companies see their existence threatened and demand support in a fire letter to the EU Commission, including long-term support for local companies.

Politicians have heard the call: EU Commission President Ursula von der Leyen has declared the solar issue a top priority. In June, the German Federal Ministry of Economics and Technology had already held out the prospect of a medium-term support program of one billion euros, for which companies can apply. The opposition from the CDU and CSU is now pushing for anti-dumping duties on Chinese solar modules. Something similar happened 20 years ago. Back then, the EU Commission agreed with China on minimum prices for the import of solar panels. However, this arrangement expired in 2018.

"Politicians should not allow themselves to be harnessed to the carts of individual companies or groups of companies," advises Voigt. It is questionable whether China's module prices are dumping at all, which would justify punitive tariffs. "The Chinese aren't making much money at the current market price, but they probably aren't making any losses either," Voigt says.

Those who certainly aren't making money at the current price level of 15 to 17 cents, he said, are European manufacturers. "For our industry, on the other hand, a minimum module price of 30 cents would be a disaster," Voigt warns. That's because if module prices nearly doubled, many projects would be difficult to implement at current electricity price levels, and the market would slow down brute force in Europe. "Quite apart from the price," Voigt adds, "European manufacturers don't have enough production capacity at all to serve the European market, which now stands at over 40 gigawatts peak." So even in terms of sheer mass, Europe needs the Chinese supplies.

About the aream Group

The aream Group, founded in 2005, is an investment and asset manager for institutional investors and industrial customers with a focus on sustainable infrastructure in the renewable energy sector. With the three areas of fund and asset management, project development and operation management, aream covers the entire value chain for renewable energy investments. With a transaction volume of more than 2.4 billion euros, aream is one of the leading asset managers in this market. With its own plant portfolio, green electricity is sold for around 40 million euros per year. Since 2008, aream has been producing more than a billion kWh of green electricity. As part of the growth strategy, 2.5 GW of solar and wind parks are to be



realized or acquired over the next few years. Due to its own project development alone, aream currently has a pipeline of over 1,000 MWp with a potential of a further 1,400 MWp. Further information: www.arem.de.

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